

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: New Bedford Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: September 1, 2016

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on August 1 of each fiscal year. The schedule is effective in FY17 (since the amount under the prior schedule was maintained in FY17) and is acceptable under Chapter 32.

The revised schedule reflects the adoption of a fully generational mortality assumption. The schedule also reflects the adoption of other demographic assumptions based on a recent experience study performed by your actuary. Although the revised assumptions are less conservative than the current standard PERAC assumptions, which we continue to believe are reasonable, we have not performed a recent experience analysis for local systems to compare our findings with the results of your study.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



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Appropriation Forecast

Fiscal Year		Employee	Employer	Amortization	Employer	Employer	
Ending	Payroll*	Employee Contribution	Normal Cost with Interest	Payments with Interest	Total Cost with Interest	Total Cost % of Payroll	Funded Ratio %**
2017	\$89,560,393	\$7,670,441	\$3,986,813	\$26,824,016	\$30,810,829	34.4	46.3
2018	\$92,247,205	\$7,962,120	\$4,042,112	\$28,027,033	\$32,069,145	34.8	48.5
2019	\$95,014,621	\$8,264,396	\$4,097,140	\$28,984,906	\$33,082,046	34.8	50.7
2020	\$97,865,060	\$8,577,643	\$4,151,833	\$29,317,070	\$33,468,903	34.2	53.1
2021	\$100,801,011	\$8,902,246	\$4,206,120	\$30,343,167	\$34,549,287	34.3	55.4
2022	\$103,825,042	\$9,238,606	\$4,259,927	\$31,405,178	\$35,665,105	34.4	57.8
2023	\$106,939,793	\$9,587,136	\$4,313,177	\$32,504,359	\$36,817,536	34.4	60.4
2024	\$110,147,987	\$9,948,263	\$4,365,788	\$33,642,012	\$38,007,800	34.5	63.0
2025	\$113,452,426	\$10,322,429	\$4,417,674	\$34,819,482	\$39,237,156	34.6	65.7
2026	\$116,855,999	\$10,710,091	\$4,468,744	\$36,038,164	\$40,506,908	34.7	68.6
2027	\$120,361,679	\$11,111,723	\$4,518,902	\$37,299,500	\$41,818,402	34.7	71.6
2028	\$123,972,529	\$11,527,813	\$4,568,048	\$38,604,982	\$43,173,030	34.8	74.7
2029	\$127,691,705	\$11,958,869	\$4,616,076	\$39,956,157	\$44,572,233	34.9	77.9
2030	\$131,522,457	\$12,405,413	\$4,662,874	\$41,354,622	\$46,017,496	35.0	81.2
2031	\$135,468,130	\$12,867,986	\$4,708,325	\$42,802,034	\$47,510,359	35.1	84.7
2032	\$139,532,174	\$13,347,149	\$4,752,307	\$44,300,105	\$49,052,412	35.2	88.4
2033	\$143,718,139	\$13,843,481	\$4,794,690	\$45,850,609	\$50,645,299	35.2	92.1
2034	\$148,029,684	\$14,357,580	\$4,835,340	\$47,455,380	\$52,290,720	35.3	96.0
2035	\$152,470,574	\$14,890,066	\$4,874,112	\$0	\$4,874,112	3.2	100.0
2036	\$157,044,691	\$15,441,580	\$4,910,860	\$0	\$4,910,860	3.1	100.0
2037	\$161,756,032	\$16,012,783	\$4,945,426	\$0	\$4,945,426	3.1	100.0
2038	\$166,608,713	\$16,604,360	\$4,977,646	\$0	\$4,977,646	3.0	100.0
2039	\$171,606,974	\$17,217,021	\$5,007,348	\$0	\$5,007,348	2.9	100.0
2040	\$176,755,184	\$17,851,498	\$5,034,352	\$0	\$5,034,352	2.8	100.0
2041	\$182,057,839	\$18,508,548	\$5,058,470	\$0	\$5,058,470	2.8	100.0
2042	\$187,519,574	\$19,188,955	\$5,079,505	\$0	\$5,079,505	2.7	100.0
2043	\$193,145,161	\$19,893,528	\$5,097,248	\$0	\$5,097,248	2.6	100.0
2044	\$198,939,516	\$20,623,106	\$5,111,485	\$0	\$5,111,485	2.6	100.0
2045	\$204,907,702	\$21,378,554	\$5,121,988	\$0	\$5,121,988	2.5	100.0
2046	\$211,054,933	\$22,160,768	\$5,128,522	\$0	\$5,128,522	2.4	100.0
2047	\$217,386,581	\$22,825,591	\$5,282,377	\$0	\$5,282,377	2.4	100.0
2048	\$223,908,178	\$23,510,359	\$5,440,849	\$0	\$5,440,849	2.4	100.0

* Calendar basis

** Beginning of Fiscal Year